

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF NOLIN)	CASE NO.
RURAL ELECTRIC COOPERATIVE)	2010-00506
CORPORATION FROM NOVEMBER 1,)	
2008 THROUGH OCTOBER 31, 2010)	

O R D E R

Pursuant to 807 KAR 5:056, the Commission, on January 26, 2011, established this case to review and evaluate the application of the Fuel Adjustment Clause ("FAC") of Nolin Rural Electric Cooperative Corporation ("Nolin") for the two-year period from November 1, 2008 through October 31, 2010.

As part of this review, the Commission ordered Nolin to submit certain information and an affidavit attesting to its adherence to 807 KAR 5:056. The Commission further ordered that a public hearing be held in this case but cancelled it when, after publication of notice, no interested person advised the Commission of his or her intent to attend.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. During the period under review, Nolin has complied in all material respects with the provisions of 807 KAR 5:056.
2. East Kentucky Power Cooperative, Inc. ("East Kentucky"), the wholesale supplier of Nolin, has been authorized to transfer (roll-in) to its base energy rates a

negative 6.39 mills per kWh of fuel costs that were being credited to customers through its FAC.¹

3. Except for its direct-served customer, Nolin should be authorized to transfer (roll-in) to its base energy rates a negative 6.68 mills per kWh to reflect, as adjusted for line loss, the transfer (roll-in) by East Kentucky of a negative 6.39 mills per kWh of fuel costs to East Kentucky's base energy rates that were being credited to customers through its FAC. As there is no line loss adjustment for direct-served customers, Nolin should be authorized to deduct 6.39 mills per kWh from the base energy rate applicable to its direct-served customer.

4. The rates and charges in the Appendix to this Order are fair, just, and reasonable, and reflect the reduction of fuel costs included in its base energy rates.

IT IS THEREFORE ORDERED that:

1. The charges and credits applied by Nolin through the FAC for the period from November 1, 2008 through October 31, 2010 are approved.

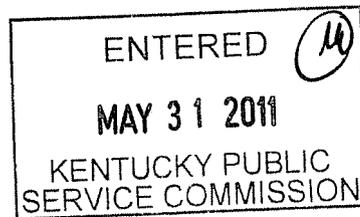
2. Except for its direct-served customer, Nolin shall deduct 6.68 mills per kWh from its base energy rates (as adjusted for line loss) to reflect the transfer (roll-in) of a negative 6.39 mills per kWh of fuel costs by East Kentucky to its base energy rates as approved in Case No. 2010-00491. As there is no line loss adjustment for direct-served customers, Nolin shall deduct 6.39 mills per kWh from the base energy rate applicable to its direct-served customer.

¹ Case No. 2010-00491, An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2008 through October 31, 2010 (Ky. PSC May 31, 2011).

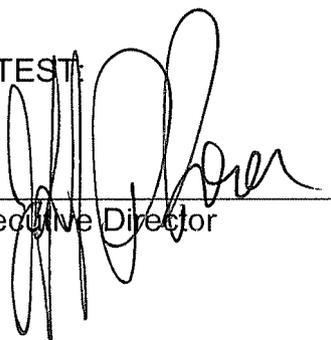
3. The rates in the Appendix to this Order are approved for service rendered by Nolin on and after June 1, 2011, the effective date of East Kentucky's change in rates.

4. Within 20 days of the date of this Order, Nolin shall file revised tariff sheets with the Commission setting out the rates approved herein and reflecting that they were approved by this Order.

By the Commission



ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00506 DATED **MAY 31 2011**

The following rates and charges are prescribed for the customers in the area served by Nolin Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

SCHEDULE 1 RESIDENTIAL, FARM, NON-FARM TRAILERS AND MOBILE HOMES

All kWh per kWh	\$.08598
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SCHEDULE 2 COMMERCIAL, SMALL POWER, SINGLE PHASE AND THREE PHASE

All kWh per kWh	\$.09274
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SCHEDULE 3 LARGE POWER

First	2,500 kWh per kWh	\$.07845
Next	12,500 kWh per kWh	\$.07337
All Over	15,000 kWh per kWh	\$.07184

SCHEDULE 4 INDUSTRIAL

First	3,500 kWh per kWh	\$.08248
Next	6,500 kWh per kWh	\$.06789
All Over	10,000 kWh per kWh	\$.06410

SCHEDULE 5
SECURITY LIGHTS

Monthly Charge:

175 Watt Mercury Vapor	\$	10.06
100 Watt H.P.S.	\$	10.06
100 Watt H.P.S. Directional Floodlight	\$	8.82
250 Watt H.P.S. Directional Floodlight	\$	14.93
400 Watt H.P.S. Directional Floodlight	\$	20.33
100 Watt H.P.S. Colonial	\$	13.07
400 Watt H.P.S. Contemporary	\$	21.80
400 Watt H.P.S. Acorn Contemporary	\$	34.26
150 Watt H.P.S. Santa Rosa Contemporary	\$	33.59

SCHEDULE 6
MERCURY VAPOR OR HIGH PRESSURE SODIUM
SERIES OR MULTIPLE

Monthly Charge:

Standard Overhead-Wood Poles:

8,500 M.V. Initial Lumens	\$	6.30
23,000 M.V. Initial Lumens	\$	18.13
9,500 H.P.S. Initial Lumens	\$	9.66
27,500 H.P.S. Initial Lumens	\$	14.64
50,000 H.P.S. Initial Lumens	\$	19.10

Ornamental Service Overhead (Aluminum Poles):

8,500 M.V. Initial Lumens	\$	8.03
23,000 M.V. Initial Lumens	\$	19.95
9,500 H.P.S. Initial Lumens	\$	21.91
27,500 H.P.S. Initial Lumens	\$	26.01
50,000 H.P.S. Initial Lumens	\$	29.68

Ornamental Service Underground (Fiberglass Poles):

50,000 H.P.S. Initial Lumens	\$	34.56
15,500 H.P.S. Initial Lumens	\$	33.60

SCHEDULE 7
LARGE INDUSTRIAL

Energy Charge per kWh	\$.05887
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SCHEDULE 8
LARGE INDUSTRIAL - SEASONAL TIME OF DAY

Energy Charge per kWh \$.05887

SCHEDULE 9
INDUSTRIAL – 1,000 TO 4,999 kW

Energy Charge per kWh \$.05679

SCHEDULE 10
INDUSTRIAL – 5,000 TO 9,999 kW

Energy Charge per kWh \$.05109

SCHEDULE 11
INDUSTRIAL – OVER 10,000 kW

Energy Charge per kWh \$.04995

SCHEDULE 12
INDUSTRIAL C – 1,000 TO 4,999 kW

Energy Charge per kWh \$.05679

SCHEDULE 13
INDUSTRIAL C – 5,000 TO 9,999 kW

Energy Charge per kWh \$.05109

SCHEDULE 14
INDUSTRIAL C – OVER 10,000 kW

Energy Charge per kWh \$.04995

SPECIAL CONTRACT RATE
AGC AUTOMOTIVE

Energy Charge per kWh \$.04342

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